

(1) CAPITAL ASSISTANCE TO FINANCE ALL OR PART OF THE DEVELOPMENT COSTS OF A PROJECT IF ALL OR PART OF THE PROGRAM LOAN IS SECURED BY A MORTGAGE LIEN; OR

(2) OPERATING ASSISTANCE TO REDUCE THE OPERATING COSTS OF A PROJECT BY DEPOSITING THE PROCEEDS OF THE PROGRAM LOAN IN AN INTEREST BEARING ACCOUNT THAT IS UNDER THE CONTROL OF THE DEPARTMENT AND IS USED TO PAY THE OPERATING COSTS, INCLUDING THE PRINCIPAL AND INTEREST WHEN DUE ON ANY PRIOR MORTGAGE LOAN SECURING THE PROJECT.

(C) POWERS OF DEPARTMENT.

TO FACILITATE REPAYMENT OF THE PROGRAM LOAN AND ACHIEVE THE PURPOSES OF THE PROGRAM, THE DEPARTMENT MAY MODIFY:

- (1) THE INTEREST RATE;
- (2) THE TIME OR AMOUNT OF PAYMENT; OR
- (3) ANY OTHER TERM OF THE PROGRAM LOAN.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 83B, § 2-506.

In subsection (b)(2) of this section, the former reference to "some or all" of the operating costs is deleted as surplusage.

In the introductory language of subsection (c) of this section, the reference to "facilitate" repayment is substituted for the former reference to "ensure" repayment for clarity.

Defined terms: "Department" § 1-101

"Development costs" § 4-1501

"Family of lower income" § 4-1501

"Operating costs" § 4-1501

"Program loan" § 4-1501

"Project" § 4-1501

4-1510. EFFECT OF CONVERSION ON TENANTS.

IF A RENTAL HOUSING FACILITY IS CONVERTED TO LIMITED EQUITY COOPERATIVE HOUSING WITH THE HELP OF A PROGRAM LOAN, A TENANT MAY NOT BE REQUIRED TO VACATE THE PREMISES BECAUSE THE TENANT DOES NOT ELECT TO BECOME A STOCKHOLDER IN THE CORPORATION OWNING THE LIMITED EQUITY COOPERATIVE HOUSING.

REVISOR'S NOTE: This section formerly was Art. 83B, § 2-510.

The only changes are in style.

Defined term: "Program loan" § 4-1501